

Hyundai sales per dealer a record 1,431

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

The average Hyundai dealership sold 1,431 cars in 1986, a total far above any competitor not only for the year, but in history.

It was the first time any line's average new-car sales per outlet breached the 1,000 barrier, accord-

ing to Automotive News.

The first Hyundai cars went on sale in limited U.S. marketing areas on Feb. 20, 1986, so the South Korean car's huge sales-per-outlet total was compiled in less than a full year.

At introduction time, Hyundai had 75 dealers. The total rose grad-

ually to 161 by the end of 1986. Sales per dealer are computed on the average number of dealers throughout the year. Even if Hyundai's year-end total had been used, its average still would have been more than 300 units above that of any other make of car on the U.S. market and a record.

Hyundai sells only cars in this country, but its 1,431 sales per outlet substantially exceeded even those makes that offer both cars and light trucks.

The top car-and-truck entry was Toyota, whose dealers averaged 592 new cars and 355 trucks for a total of 947.

Imports captured the first six places in car sales per franchise. Following Hyundai were Honda, 716; Toyota, 592; Nissan, 495; Mitsubishi, 489; and Acura, 352. Acura was new to the U.S. market and began selling cars in March.

Oldsmobile led the domestics with an average of 334 car sales per dealership, unchanged from its record total in 1985. Olds was followed by Chevrolet with 311 car deliveries, down from 331 in 1985.

In 1985, Honda led with 640 car sales per dealer. Mitsubishi led the car-and-truck category in 1985 with 920 sales per outlet.

Of 1986's top 10 makes in car sales per franchise, six were Japanese, three domestic and one Korean. In 1985, five of the top 10 were U.S. lines and five were Japanese.

There were 20,405 domestic-car outlets on Jan. 1 this year, down 268 from 20,673 in business a year earlier. There were 16,969 dealerships selling imported cars, but 12,218 of those also sold domestic lines and were included in the domestic total. There were 4,751 import-only dealerships as of Jan. 1.

The overall average number of new-car sales per domestic company outlet, including Volkswagen

and Renault, was 399 in 1986, up slightly from 393 in 1985.

New-car deliveries per dealership last year averaged 464 for General Motors, virtually unchanged from 465 in 1985. Ford points delivered an average of 365 new cars in 1986 compared with 374 in 1985.

Chrysler Motors dealerships turned over the keys to an average of 292 new cars, up from 285 in 1985. American Motors-Renault new-car deliveries, at an average of 52, were well below the 91 of the year before. The average Volkswagen point delivered 247 new cars including imports, about the same as the 246 sales per dealer in 1985.

An analysis of domestic-car sales per dealer by market class — also shown in an accompanying table — found that Escort, with 87, was the leader among the subcompacts for the second year running. Second in the class for the second year was the Volkswagen Golf with 84.

In the compact class, Honda's Accord took the honors with deliveries averaging 239 units. The closest competitor in that category was Chevrolet Cavalier with 71 sales per average dealership. In 1985, Cavalier led that market sector with an average of 85. Accord was not included in the domestic rankings in 1985.

Leader in the intermediate category was Oldsmobile Cutlass Ciera with 104 deliveries followed by Chevrolet Celebrity and Buick Century with 82.

Among standard-size cars, the Oldsmobile 88 led the way with 82 sales per franchise. It was the leader in 1985 as well with 59. Buick LeSabre, with 45 sales per deal in 1986, moved up to the second spot among standards from fourth in 1985.

Cadillac DeVille-Fleetwood-Brougham, with an average of 146 sales per franchise, was the leader among the luxury lines.

HYUNDAI

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averaged twice that.

Why the success? Dealers point to two things: Quality and price.

"If you build a better mousetrap and sell it for less than anyone else, the world will beat a path to your door," said John Eagle, president of Eagle Hyundai Inc., Dallas.

Of course, an early reputation for quality will be put to stricter tests over time. For now, according to a J.D. Power & Associates survey, Hyundai buyers are no more content with their cars than new-car customers as a whole. The California marketing information firm found that half of Hyundai buyers were extremely satisfied with their cars three months after purchase — about average for the industry.

But dealers give the company high marks for paying attention to the customer. Some early minor problems — a weak trunk spring, for example — were soon corrected at Hyundai's Ulsan, South Korea, assembly plant. Other companies, dealers say, might not have bothered with the problem until the next model year.

On the pricing front, Hyundai has had the good fortune of seeing the Korean won keep pace with the falling U.S. dollar. As a result, Hyundai hasn't felt the same pricing pressure faced by Japanese companies, which have been forced to raise prices sharply to make up for the stronger yen. The base Hyundai Excel, which recently went up \$200, now costs \$5,195. Dealers estimate that their average sticker price falls in the \$6,500-\$7,000 range.

There's more to Hyundai's success than its product, however. Hyundai's method of picking dealers is designed to produce high sales, Jamiesson said. No dual dealerships are allowed. And those most likely to be selected are established dealers, often mega-dealers, who have a strong history and know their market.

Beyond that, though, Hyundai is trying to give dealers room to work, supplying them with as many cars as they can sell and not overloading markets. If a leading importer has six outlets in a city, Hyundai might come in with four or five in prime locations. "Fewer is better," Jamiesson said.

"If we can strategically put the dealers in the right location, their advertising clout together helps them do a better job," Jamiesson said.

Its existing dealer network, which covers major markets on both U.S. coasts and throughout the South, is responsible for the sales performance to date. Of the 161 dealers in place by year end, 136 sold more than 1,000 cars apiece. Six dealers exceeded 2,000.

Sales per dealer will inevitably fall, Jamiesson said, as Hyundai steps into smaller markets where volume won't be as high. But there are still some major city markets to conquer. This fall, Hyundai takes its first steps into the Midwest, where it has nine dealers lined up in the Chicago area. By the end of 1988, Hyundai expects to have dealers in 48 states.

Jamiesson said Hyundai's challenge in its second year will be balancing inventory with demand and keeping dealers supplied without overstocking. Hyundai's current 22-day supply is just a shade above the company's goal.

Another challenge, and a far more tedious one, will be keeping track of the 5,500 applications Hyundai has received so far from dealers interested in obtaining a franchise. If Hyundai's 1987 performance even faintly imitates the 1986 record, that stack will grow.

U.S. NAMEPLATES, SALES PER OUTLET

Subcompact		
1986 Position	Make	1985 Position
1-87	Escort	90-1
2-84	Volkswagen	88-2
3-48	Nissan	—
4-38	Alliance	53-3
5-37	Horizon	28-7
6-34	Nova	24-9
7-33	Omni	24-9
8-26	Civic	—
9-24	Lynx	31-4
10-23	Fiero	31-4
11-17	Charger	20-10
12-16	Turismo	17-11
13-15	Chevette	26-8
14-13	Daytona	17-11
14-13	Encore	29-6
16-10	Laser	17-11
17-7	Shadow	—
18-6	Sundance	—
19-4	Pontiac 1000	14-8

Compact		
1-239	Accord	—
2-71	Cavalier	85-1
3-57	Tempo	59-2
4-43	Reliant	49-3
5-37	Aries	40-4
6-36	Mustang	34-7
7-35	Sunbird	39-5
8-33	Camaro	39-5
9-32	Firebird	34-7
10-31	LeBaron K	29-9
11-25	Skyhawk	29-9
11-25	Topaz	27-11
13-15	Cimarron	13-13
14-11	Firenza	16-12
15-7	Toyota	—
16-5	Capri	6-15
17-3	Eagle	9-14

Intermediate		
1-104	Ciera	105-1
2-82	Celebrity	72-3
2-82	Century	79-2
4-69	Grand Am	41-7
5-67	Pontiac 6000	55-5
6-60	Cutlass Supreme	60-4
7-57	Taurus	1-24
8-42	Cougar	43-6
9-38	Somerset Regal	32-12
10-36	Sable	1-24
10-36	Caleis	39-8
12-30	Thunderbird	33-11
13-27	Regal	38-9
14-22	LeBaron GTS	24-14
14-22	Monte Carlo	15-22
16-21	Dodge 600	19-17
17-19	New Yorker	19-17
18-14	Lancer	17-20
18-14	Bonneville	17-20
20-13	Caravelle	12-22
21-12	Grand Prix	20-16
22-5	LTD	36-9
23-4	Marquis	32-12
24-3	Corsica/Beretta	—
25-1	Skylark	19-17
26-1	Citation	9-23

Standard		
1-82	Olds 88	59-1
2-45	LeSabre	39-4
2-45	Grand Marquis	49-2
2-45	Chevrolet	49-2
5-29	Crown Victoria	35-5
6-25	87 Parisienne	23-6
7-12	Diplomat	12-7
8-6	Gran Fury	6-6

Luxury		
1-146	Cadillac	116-1
2-83	Lincoln	74-2
3-37	Electra	33-6
4-35	Fifth Avenue	36-4
5-34	Olds 98	38-3
6-15	Mark VII	12-10
7-15	Eldorado	36-4
8-13	Continental	18-7
8-13	Seville	18-7
10-8	Riviera	16-9
11-7	Corvette	7-12
12-5	Toronado	10-11

CAR-TRUCK SALES PER OUTLET

1986 Position	Make	1985 Position
1-1431	Hyundai	—
2-947	Toyota	874-2
3-791	Mitsubishi	920-1
4-716	Honda	640-4
5-697	Nissan	751-3
6-589	Suzuki	53-30
7-585	Ford	565-6
8-556	Chevrolet	586-5
9-494	Mazda	429-7
10-352	Acura	—
11-334	Oldsmobile	334-8
12-316	Dodge	297-9
13-283	Pontiac	265-11
14-276	Volvo	257-12
15-260	Buick	285-10
16-247	Volkswagen	246-13
17-236	Isuzu	199-17
17-236	Mercedes	207-15
19-226	Subaru	219-14
19-226	BMW	204-16
21-188	Cadillac	185-19
22-179	Mercury	189-18
23-157	Plymouth	146-21
24-152	AMC	133-22
25-146	Audi	182-20
26-137	Saab	115-26
27-126	GMC	128-23
28-116	Chrysler	124-24
29-110	Lincoln	104-27
30-94	Porsche	78-29
31-58	Jaguar	120-25
32-54	Alfa Romeo	33-33
33-51	Pugeot	53-30
34-41	Renault	87-28
35-34	Dodge Imports	43-32
36-32	Chevrolet Imports	21-35
37-21	Plymouth Imports	17-36
38-20	Maserati	24-34
39-19	Mercur	12-37
40-1	Chrysler Conquest	—

CAR SALES PER OUTLET BY MAKE, TOTAL U.S. MARKET

	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977
Hyundai	1,431	—	—	—	—	—	—	—	—	—
Honda	716	640	610	494	455	470	496	488	396	339
Toyota	592	572	515	511	484	528	541	485	423	479
Nissan	495	520	439	479	428	421	475	445	323	384
Mitsubishi	489	598	477	435	59	—	—	—	—	—
Acura	352	—	—	—	—	—	—	—	—	—
Oldsmobile	334	334	331	320	254	263	251	286	302	294
Chevrolet	311	331	304	261	238	259	303	364	394	381
Ford	301	295	276	230	197	197	204	269	326	335
Mazda	290	277	223	228	213	218	213	213	114	95
Pontiac	283	285	235	187	162	179	195	241	277	249
Volvo	276	257	246	220	185	159	140	136	120	103
Buick	260	285	318	288	247	244	239	234	256	245
Volkswagen	247	246	197	177	164	241	264	274	213	252
Mercedes-Benz	236	207	190	177	161	154	132	130	115	119
Subaru	226	219	196	198	195	201	191	175	145	118
BMW	226	204	170	145	132	112	103	98	92	93
Cadillac	188	185	200	189	157	144	133	193	215	207
Mercury	179	189	195	156	125	127	117	172	195	172
Dodge	155	149	131	120	105	126	108	133	158	162
Audi	146	182	172	115	108	118	97	98	95	85
Saab	137	115	102	81	60	47	44	46	48	42
Isuzu	134	118	80	98	77	98	—	—	—	—
Plymouth	120	110	99	99	98	129	97	110	133	143
Chrysler	116	124	110	94	66	35	50	76	89	96
Lincoln	110	104	97	67	64	43	45	80	115	112
Porsche	94	78	61	66	44	35	32	43	54	65
Jaguar	58	120	98	81	49	20	11	14	17	15
Alfa Romeo	54	31	27	17	16	19	18	35	39	29
Pugeot	51	53	64	47	43	51	42	42	32	35
Renault	51	87	135	135	51	22	24	44	47	46
Chevy Sprint/Spectrum	32	21	29	—	—	—	—	—	—	—
Dodge/Mitsubishi	23	19	17	15	16	19	24	27	21	37
Plymouth Mitsubishi	21	17	12	13	15	19	27	22	15	—
Maserati	20	24	—	—	—	—	—	—	—	—
Mercur	19	12	—	—	—	—	—	—	—	—
AMC	6	9	14	23	53	85	68	97	105	112
Chrysler Conquest	1	—	—	—	—	—	—	—	—	—

† Domestic plus imports.

†† Renault joined domestics in 1982. Average includes imported Renaults and U.S.-built Alliances and Encores.

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PRODUCTION

Car output holds steady; week's build is 170,196

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Last week's scheduled production of 170,196 cars was 0.91 percent below the prior week's 171,761 and 3.21 percent below the year-ago week's 175,844.

So far this year, 1,330,326 cars have been assembled, 8.63 percent below the 1,456,032 completed last year at this point.

Last week's production was split this way: General Motors, 51.09 percent; Ford Motor Co., 26.23 percent; Chrysler Motors, 13.10 percent; Honda of America Manufacturing Inc., 3.87 percent; New United Motor Manufacturing Inc., 2.35 percent; Nissan Motor Manufacturing Co., U.S.A., 1.72 percent; Volkswagen of America, 1.18 percent; and American Motors, 0.46 percent.

Volkswagen of America's Westmoreland, Pa., plant resumed output last week (Feb. 23) after being

idle for one week for installation of new parts.

GM's Arlington, Texas, plant resumed production today (March 2). The plant had been down since Dec. 8 for installation of paint equipment.

GM's Norwood, Ohio, plant also resumed output today after being idle for one week for inventory adjustment.

Saturday (Feb. 28) overtime was slated for three GM plants: Detroit (Clark Avenue); Linden, N.J.; and Wilmington, Del.

Ford scheduled Saturday overtime at its Lorain, Ohio, and Atlanta plants.

All Ford plants are slated for daily overtime this week.

Chrysler's Newark, Del.; Sterling Heights, Mich.; and Detroit plants were scheduled for overtime Saturday. Those plants are slated for daily overtime this week.

Truck assemblies jump to 78,680

U.S. truck manufacturers planned to build 78,680 units last week, 5.79 percent more than the previous week's 74,376 and 11.52 percent more than the year-ago week's 70,552.

Year-to-date, 619,618 trucks have been assembled, 3.06 percent more than the 601,224 completed last year at this time.

General Motors' slated Saturday (Feb. 28) overtime at its Baltimore;

Detroit; Pontiac, Mich. (No. 2); and Fort Wayne, Ind., plants.

Ford Motor Co. scheduled Saturday overtime at its Wayne, Mich.; Kansas City, Mo.; and St. Louis plants.

Daily overtime is scheduled this week (March 2) at all Ford truck plants.

Chrysler Motors' Warren, Mich., plant is scheduled for daily overtime this week.

Canadian cars, trucks trail 1986

Canadian automakers scheduled production of 20,857 cars last week, 1.54 percent more than the prior week's 20,540 but 15.44 percent below the year-ago week's 24,664.

So far this year, 157,604 cars have been built, 10.59 percent below the 176,272 assembled last year at this point.

Last week's truck production totaled 18,368 units, 4.13 percent more than the previous week's 17,640, but 6.22 percent below the year-ago week's 19,586.

Year-to-date, 131,206 trucks have been assembled, 16.99 percent below the 155,061 built last year at this time.

CANADIAN CAR	Week Ended Feb. 28, 1987	Week Ended March 1, 1986	Week Ended Feb. 21, 1987	Feb. Est.	Jan. 1 to March 1, 1986	Jan. 1 to Feb. 28, 1987
AMERICAN MOTORS	150	0	156	611	1,200	1,216
FORD MOTOR	11,645	11,405	11,373	45,382	94,043	89,431
GENERAL MOTORS	8,637	13,034	8,702	35,547	79,212	64,194
HONDA	200	0	129	584	0	963
VOLVO	225	225	180	877	1,817	1,800
Total Cars, Canada	20,857	24,664	20,540	83,001	176,272	157,604

*All Acadia are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

U.S. TRUCK*	Week Ended Feb. 28, 1987	Week Ended March 1, 1986	Week Ended Feb. 21, 1987	Feb. Est.	Jan. 1 to March 1, 1986	Jan. 1 to Feb. 28, 1987
CHEVROLET	21,882	22,967	19,726	88,967	211,677	178,486
DODGE	5,000	0	5,317	20,952	0	38,841
FORD	33,310	29,803	31,524	130,717	245,807	259,910
GMC	8,250	7,463	7,675	31,712	62,752	61,704
NAVISTAR	1,613	1,486	1,620	6,126	12,426	12,332
JEEP	4,545	4,385	4,455	18,060	38,967	35,896
NISSAN	1,730	1,998	1,709	6,831	10,153	13,647
AM GENERAL	50	50	50	200	422	400
MISCELLANEOUS	2,300	2,400	2,300	9,200	19,000	18,400
Total Trucks, U.S.	78,680	70,552	74,376	312,785	601,224	619,618

CANADIAN TRUCK	Week Ended Feb. 28, 1987	Week Ended March 1, 1986	Week Ended Feb. 21, 1987	Feb. Est.	Jan. 1 to March 1, 1986	Jan. 1 to Feb. 28, 1987
AMERICAN MOTORS	625	0	641	2,543	0	5,011
CHRYSLER	8,494	9,388	9,128	36,225	75,764	70,833
FORD	3,648	3,535	3,478	13,715	29,362	26,643
GENERAL MOTORS	5,400	6,451	4,195	15,651	51,426	27,130
NAVISTAR	201	212	198	789	1,507	1,589
Total Trucks, Canada	18,368	19,586	17,640	68,923	158,061	131,206
N. American Trucks	97,048	90,138	92,016	381,708	759,285	750,824

*Includes window van production. *Estimated.
Jep includes commercial only. AM General includes government-designed vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

U.S. CAR	Week Ended Feb. 28, 1987	Week Ended March 1, 1986	Week Ended Feb. 21, 1987	Feb. Est.	Jan. 1 to March 1, 1986	Jan. 1 to Feb. 28, 1987
AMERICAN MOTORS	790	2,029	746	3,023	6,852	6,114
Renault Total	790	2,029	746	3,023	6,852	6,114
Alliance	790	1,876	746	3,023	5,974	6,114
Encore	0	153	0	0	878	0
CHRYSLER MOTORS	22,300	26,116	28,363	104,697	258,914	206,292
Plymouth Total	8,900	7,220	11,171	40,878	71,756	79,595
Horizon	3,300	3,000	4,167	14,965	26,429	30,023
Sundance	2,000	0	2,530	9,065	0	17,789
Reliant	2,400	3,140	3,042	11,375	32,288	21,679
Caravelle	1,200	919	1,432	5,473	10,852	10,104
Gran Fury	0	161	0	0	2,187	0
Chrysler Total	5,300	9,115	6,700	24,981	95,544	46,743
Laser	0	910	0	0	8,999	0
LeBaron K	1,200	2,461	2,025	7,163	23,578	13,633
LeBaron J	1,800	0	2,097	7,485	0	13,152
LeBaron GTS	800	2,036	1,027	3,696	20,763	6,570
New Yorker/E-Class	1,500	1,223	1,551	6,637	13,179	13,388
Fifth Avenue	0	2,485	0	0	29,025	0
Dodge Total	8,100	9,781	10,492	38,838	91,614	79,954
Daytona	800	825	1,071	3,680	8,655	6,531
Omni	2,800	3,058	3,555	12,771	27,223	25,831
Shadow	1,800	0	2,286	8,249	0	16,250
Aries	1,500	2,541	2,114	8,402	21,983	18,310
Dodge 600	800	1,359	906	3,740	14,045	8,398
Lancer	400	1,573	580	1,996	15,812	4,634
Diplomat	0	425	0	0	3,896	0
FORD MOTOR	44,637	36,824	42,944	175,674	296,245	344,922
Ford Division	30,439	25,330	29,470	120,078	201,065	235,134
Escort	7,435	7,956	7,672	30,570	67,600	60,128
Mustang	4,607	4,239	4,445	18,812	34,464	36,993
Tempo	4,163	4,079	4,158	16,564	35,519	32,950
Taurus	10,389	5,359	10,442	41,665	32,950	81,883
Thunderbird	3,845	3,697	2,753	12,467	30,532	23,180
L-M Division	14,198	11,494	13,474	55,596	95,180	109,788
Mercury Total	10,098	7,807	10,256	41,331	63,349	79,807
Lynx	1,460	1,247	1,545	6,067	12,015	11,029
Capri	0	210	0	0	3,196	0
Topaz	1,359	1,338	1,356	5,337	11,788	10,739
Cougar	4,065	2,434	4,099	16,957	20,192	32,984
Sable	3,214	2,578	3,256	12,970	16,158	25,055
Lincoln Total	4,100	3,687	3,218	14,265	31,831	29,981
Continental	410	410	319	1,425	3,677	3,002
Lincoln	3,077	2,765	2,414	10,698	23,882	22,484
Mark VII	613	512	485	2,142	4,272	4,495
GENERAL MOTORS	86,959	99,984	85,335	350,589	611,365	649,100
Buick Total	13,931	14,613	12,702	54,604	128,014	110,030
Skyhawk	1,291	1,831	881	4,467	15,169	8,561
Century	4,361	4,966	4,509	17,579	42,126	34,716
Regal	1,142	949	892	4,242	6,330	7,915
Somerset/Skylark	1,690	1,803	899	6,154	16,456	15,031
LeSabre (fwd)	2,258	2,421	2,531	9,150	15,753	17,706
LeSabre/Electra (fwd)	212	254	275	1,408	2,041	3,993
Electra (fwd)	2,534	1,948	2,331	10,035	26,855	17,873
Riviera	443	441	384	1,569	3,284	4,755
Cadillac Total	8,090	6,012	7,882	29,287	50,980	58,263
Cimarron	425	450	499	1,621	3,676	3,784
Allante	45	0	50	202	0	369
Brougham (fwd)	2,772	1,973	2,546	8,788	12,790	15,325
DeVille (fwd)	4,000	2,820	4,075	15,731	28,677	29,664
Eldorado	405	448	327	1,332	3,418	3,120
Seville	443	321	385	1,613	2,419	6,001
Chevrolet Total	32,159	30,064	32,586	132,494	275,790	233,551
Chevette	0	1,930	0	0	21,988	0
Camaro	1,120	4,958	2,799	9,671	41,810	15,793
Cavalier	7,573	9,205	8,184	31,655	79,523	59,207
Celebrity	8,250	6,738	7,688	32,550	53,519	65,082
Corsica/Beretta	7,296	0	5,769	27,224	0	42,754
Monte Carlo	1,608	2,277	1,775	6,625	21,377	10,332
Chevrolet	5,672	3,964	5,725	22,183	54,550	35,212
Corvette	640	982	646	2,586	3,023	5,171
Oldsmobile Total	17,732	26,659	15,192	68,111	207,961	125,053
Firenza	450	1,143	293	1,954	8,617	4,289
Calais	2,870	3,418	1,544	10,468	26,863	20,765
Cutlass Ciera	4,849	5,465	4,748	19,218	56,774	35,174
Cutlass Supreme	1,270	5,230	1,404	5,104	38,779	5,813
88 (fwd)	5,440	7,895	4,609	20,421	44,941	37,474
88 (rwd)	432	365	391	1,643	4,622	3,345
Olds 98	2,078	3,042	1,927	8,152	25,014	14,716
Toronado	343	301	276	1,151	2,351	3,477
Pontiac Total	15,047	22,636	16,973	66,093	148,620	122,203
Acadia	0	463	0	0	2,207	0
Fiero	1,200	1,888	1,070	3,968	14,337	5,464
1000	0	1,188	0	0	5,962	0
Firebird	1,050	3,184	2,556	8,682	22,372	13,360
2000 Sunbird	2,684	3,372	2,618	10,668	24,042	19,156
Grand Am	5,033	5,435	5,911	22,469	36,445	43,474
6000	1,680	4,971	1,507	6,439	26,430	13,370
Bonneville	3,150	0	3,118	12,541	0	25,402
Safari/Parisienne	250	2,135	193	1,326	16,825	1,977
HONDA	6,590	3,865	7,361	27,716	31,290	56,067
Civic	2,161	0	2,935	10,494	0	23,288
Accord	4,429	3,865	4,426	17,222	31,290	32,779
NISSAN	2,920	1,791	2,872	11,545	16,024	23,267
NUMMI	4,000	3,250	4,140	16,332	20,950	32,620
Corolla	750	0	836	3,233	0	6,627
Nova	3,250	3,250	3,304	13,099	20,950	25,993
VOLKSWAGEN	2,000	1,985	0	6,016	14,392	11,944
Golf/GTI	1,750	1,985	0	5,266	14,392	10,444
Jetta	250	0	0	750	0	1,500
Total Cars, U.S.	170,196	175,844	171,761	695,592	1,456,032	1,330,326
Total Cars, Canada	20,857	24,664	20,540	83,001	176,272	157,604
N. American Cars	191,053	200,508	192,301	778,593	1,632,304	1,487,930
N. American Trucks	97,048	90,138	92,016	381,708	759,285	750,824
North American Cars and Trucks	288,101	290,646	284,317	1,160,301	2,391,589	2,238,754

*All Acadia are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

DOMESTIC SALES

	Feb. 11-20, 1987	Feb. 11-20, 1986
Renault		
Alliance-Encore	580†	1,300†
AMC	145†	250†
AMERICAN MOTORS	725	2,000
Chrysler	6,254	9,443
Plymouth	9,097	9,270
Dodge	10,779	11,970
CHRYSLER MOTORS	26,130	30,683
Ford	42,011	43,349
Mercury	13,341	16,402
Lincoln	3,873	4,523
FORD MOTOR CO.	59,225	64,274
Buick	14,326	22,968
Cadillac	7,163	10,339
Chevrolet	36,149	50,748
Oldsmobile	20,287	37,279
Pontiac	13,791	26,134
GENERAL MOTORS	91,716	148,068
VOLKSWAGEN	1,522	1,992
HONDA	6,208	3,993
NISSAN	1,791	2,897
TOYOTA	684	0
U.S. INDUSTRY		
TOTAL	188,001	253,907

Automotive News

March 9, 1987

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Insurance outlook improves

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

After suffering more than three years of eye-popping hikes in property and casualty insurance premiums, the nation's auto dealers have begun to get some relief.

Increases for policies renewed in 1987 will range generally between 5 percent and 25 percent, dealers and insurers said. And having been shocked in the past by triple-digit increases, dealers appear to be absorbing this year's higher premiums without flinching.

"The number of calls I have received has dropped off dramatically," said Grover H. Lewis Jr., operations manager for the National Automotive Insurance and Service Agency, an affiliate of the National Automobile Dealers Association. "There doesn't seem to be much concern."

The relief follows considerable scrambling to reduce risk and cut insurance costs. But the efforts haven't been enough to stop the increases altogether.

Last year, a survey by NADA found that only 32 percent of dealers who had taken steps to manage their risks had seen their premiums drop substantially.

And while lower premiums will still be the exception this year, the increases will, in one insurance official's terms, finally show some signs of sobriety.

Universal Underwriters, the nation's No. 1 insurer of auto dealers, expects its average property and casualty policy, including liability, will cost 5 percent more this year than in 1986. Others in the industry predict the typical increase will range up to 25 percent. The variations reflect a number of factors, including the policy's renewal date, the dealership's claim history, the size of its inventory and the carrier's loss record.

Another indication of more stable pricing is the fact that companies are actually seeking dealers' business. John Deere Insurance Co., for example, has targeted the auto-dealer market as a growth area after years of concentrating on farm-implement dealers.

Despite the improvements, however, there are some lingering problems.

In Texas, for example, mid-size dealers have no trouble getting \$5 million of umbrella liability coverage, said Gene Fondren, president of the Texas Automobile Dealers Association. But for larger dealers, who might need an umbrella three or four times that size, the costs are disproportionately higher.

In addition, as dealers have become more sophisticated insurance buyers, so too have insurers become more careful sellers. As the



Daihatsu unveils the Charade, a three-cylinder minicar destined for the U.S. market this fall

AUTOMOTIVE NEWS JOE WILSON

Daihatsu heads for U.S.

TOKYO — Japan will permit Daihatsu Motor Co. to export 10,000 cars to the United States beginning April 1.

The Kyodo news service quoted an anonymous government official who said quotas will be trimmed for the makers already exporting and that Toyota will be urged to reduce its estimated 620,000 annual shipments by 2,700. It owns 14.8 percent of Daihatsu.

Daihatsu plans to sell Charade models of the type unveiled at the Geneva show. Daihatsu had hoped to get 1 percent of the quota, approximately 23,000 vehicles.

— Francis J. Gawronski



Isuzu's Gemini Aero Sport prototype features a 1.6-liter, 16-valve engine

GM: 3 million air bags in '92

DETROIT — General Motors is planning a major effort on air bags and expects to build nearly three million cars with driver-side bags as standard equipment in the 1992 model year.

The program will start with 500,000 such cars in the 1990 model year.

GM's new program will make it the largest supplier of air-bagged cars in the 1990s, Chairman Roger Smith said last week.

Smith said consumers have a "new interest in safety" and are willing to accept them as a supplement to manual seat belts.

GM tried air bags once before, with unsatisfactory sales results. The bags were optional on Cadillac, Oldsmobile 98 and Buick Electra in 1974-76, but the

program was discontinued when sales totaled only about 10,000 during that period.

At that time, GM had tooling to produce 100,000 air-bagged cars a year, but sales did not materialize.

GM's new drive will start with air bags as standard equipment on 500,000 cars in the 1990 model year. The installation rate will be expanded in 1991 and in 1992, when it will reach nearly three 3 million units. GM declined to say what car lines will have the air bags as standard equipment.

If GM continues selling at 1986 levels, that would represent nearly three-quarters of its output; last year it sold 4.6 million cars in the United States. By the end of the 1992 model year, GM may be installing air bags

see AIR BAGS, page 55



Yugo 103 by Giugiaro

Yugo recently unveiled its Giugiaro-designed 103 in Yugoslavia. Yugo America says the five-door hatchback will not be exported to the United States until 1989 at the earliest. Officials at Zastava, the Yugo manufacturer, said production will begin in the fall of 1988. The company is expecting to build 60,000 units per year at its facility in Kragujevac.

GM stock-buyback program gets mixed reviews from Wall Street

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Investors apparently don't quite know what to make of General Motors' decision to buy back up to 20 percent of its stock by the end of 1990.

GM's board of directors last week approved the repurchase of up to 63.9 million of its 319.4 million common shares outstanding by the end of 1990. The board also authorized the repurchase of up to 5 million shares of Class E (EDS) and up to 5 million shares of Class

H (Hughes) stock.

The buybacks could cost GM more than \$5 billion at current stock prices, which would make it the largest stock buyback by a U.S. corporation.

GM said the stock repurchases will be made from time to time as market and business conditions warrant. The shares will be held indefinitely in GM's treasury "for possible business use." In 1987, GM will purchase no more than 10 million shares, or about 3 percent

see BUYBACK, page 55

NEWSPAPER

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BETHESDA

TV auto ads
top \$2 billion

Extra Section:
Import World

Sales in February
fall 6.6 percent

Page 3

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TV auto ads top \$2 billion for first time

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Television advertising for new cars and trucks topped \$2 billion for the first time in 1986.

The Television Bureau of Advertising (TVB) said combined television commercial spending by new-car and truck dealers, their ad associations and the factories reached \$2.073 billion last year, an increase of 22 percent over the \$1.7 billion spent in 1985.

Total expenditures for network television last year rose 11 percent to \$824.9 million from \$741.7 million in 1985, while spot TV expenditures rose 30 percent to \$1.248 billion.

The result is that regional and local buys accounted for 60.2 percent of all automotive TV ad expenditures last year, compared with 56.4 percent in 1985.

Roger D. Rice, TVB president, said the shift in spending is the result of two trends: more target marketing by the factories and increased participation by regional dealer advertising associations.

"Region by region, you can see the shifts," Rice said. "Spending on big cars is in the middle of the country, while for imports it is generally within 300 miles of either coast."

"There is more target marketing as the companies are targeting who they're going after."

"The car companies have become better marketers and they are working more with the dealer groups," Rice said. "The result is that dealer groups are becoming more important."

Rice said he expects 1987 spending to be heavy in the first half of the year as the companies struggle to retain or capture market share in the wake of annual-percentage-rate finance incentives.

He also said that although spot time is more expensive to use than network time, the trend toward more regional and local purchases should continue.

see TV, page 27

Third Porsche pice hike puts '87 boost at \$6,260

DETROIT — Porsche Cars North America has raised prices for the third time since the end of the 1986 model year. Automotive News estimates that the three hikes average about \$6,260 per model, or 17 percent, on a sales-weighted basis.

The West German mark has risen about 11 percent against the dollar since last September.

The company said the latest increase averages 3 percent on the sticker price of all models. Automotive News estimates that at \$1,200.

Porsche prices went up 8.6 percent at introduction time last September and 5 percent Jan. 1. Automotive News estimates that those boosts averaged \$3,300 and \$1,760, respectively.

Prices of optional equipment went up an average of 2.5 percent last week.

The 924S coupe rose \$915 to \$23,910. The 944 coupe went up \$1,065 to \$27,840, and the 911 coupe jumped \$1,015 to \$41,440.

Increases since the end of the 1986 model year are: 924S coupe, up \$4,010; 944 coupe, up \$3,340; 944 Turbo coupe, up \$6,500; 911 coupe, up \$7,465; 911 Turbo coupe, up \$9,820; 928S4 coupe, up \$11,350.



SUBZONES: Duty-free plants under political gun

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The use of foreign trade subzones by domestic and foreign auto manufacturers to skirt tariffs on imported components is being questioned here as trade legislation hearings gear up.

In 1986, trade zones accounted for nearly \$21 billion worth of goods produced, of which about 75 percent was domestic content, according to Dennis Puccinelli, an analyst with the Foreign Trade Zone Board in the U.S. Department of Commerce.

Automotive manufacturing made up nearly \$16 billion of that total, using \$2.7 billion worth of imported components blended with \$13 billion in domestic content.

The subzones, in use at 32 auto assembly plants in the United States, allow duty-free import of components that are used in production. The imported content of the finished vehicle is assessed at the same 2.5 percent tariff rate currently used on imported cars.

The same components, if imported separately without the trade zone relief, would be subject to tariffs ranging from 3.2 percent for engines to 10 or 11 percent on some individual parts, Puccinelli said.

According to a pending subzone application by Toyota for its Kentucky plant, the subzone tax status would save the company \$41 per car.

Apparently that is too much for some members of Congress. Subzones "save importers a hefty chunk of duties, which are usually tax deductible anyway," Rep. Marcy Kaptur, D-Ohio, told a trade subcommittee of the House Ways and Means Committee.

U.S. plants of foreign automakers have been among the first and last to be granted subzone status. Volkswagen was the first; its Westmoreland, Pa., plant won approval in November 1977. The most recent was Mazda's Flat Rock, Mich., plant, which obtained subzone status in April 1986.

Besides Toyota's application for its Kentucky plant, Chrysler and Mitsubishi have applied for subzone status for their Diamond-Star venture in Illinois.

Porsche, which imports cars at its Reno, Nevada, headquarters and also in Charleston, S.C., has obtained subzone status for parts warehouses and vehicle preparation facilities at both sites.

General Motors has a subzone with Toyota at New United Motor Manufacturing Inc. and two subzones for auto electronic component plants. Chrysler has three subzones for auto electronics in Indiana.

While both domestic and foreign companies use the subzones, the lion's share of imported components processed through the zones comes from Japan, according to the Motor and Equipment Manufacturers Association.

James J. Conner, MEMA executive vice president, told the trade subcommittee, "Approximately \$2 billion in parts were imported from Japan in this way."

Kaptur said: "Because inaction through the MOSS (Market Oriented Sector Selective) process is showing us that Japanese auto firms are not interested in fair trade, I suggest that we bar the use of the Foreign Trade Zones by Japanese companies and, therefore, impose on their parts the duties normally associated with imported components."

The debate on the use of subzones may hinge on the original intent of foreign trade zones. Testimony from MEMA included this statement: "It appears that auto manufacturing was never intended as a major zone activity. During hearings held on the zones during 1948, the Department of Commerce went so far as to state, we 'cannot conceive of Ford wanting to establish (its) automobile factory in such a location (trade zone).'"

While the law was amended in 1952 to allow the creation of subzones at manufacturing sites, MEMA said, "Original proponents of FTZs never intended for zones to develop into a way of evading import duties."

Kaptur said that trade zones were in-

AUTO-RELATED SUBZONES AND APPROVAL DATES

IMPORT		
Volkswagen	Westmoreland, Pa.	6/77
Honda	Marysville, Ohio	12/79
Nissan	Smyrna, Tenn.	4/82
Toyota	Long Beach, Calif.	7/83
Porsche**	Reno, Nev.	8/84
Porsche**	Charleston, S.C.	
Mazda Motor	Flat Rock, Mich.	4/86
DOMESTIC		
AMC	Kenosha, Wis.	8/81
Chrysler	Detroit	1/82
Ford	Wayne, Mich.	1/83
Chrysler	Belvidere, Ill.	1/83
Ford***	Lansdale, Pa.	5/83
Ford	Kansas City, Mo.	7/83
GM	Atlanta	7/83
Ford	Wixom, Mich.	9/83
Ford	Dearborn, Mich.	9/83
Jeep	Toledo, Ohio	2/84
Ford	Edison, N.J.	2/84
Ford	Hazelwood, Mo.	4/84
Chrysler	Newark, Del.	7/84
Ford***	Louisville, Ky.	7/84
Ford	Lorain, Ohio	7/84
GM	Wilmington, Del.	7/84
GM	Ypsilanti, Mich.	7/84
GM	Pontiac, Mich.	7/84
GM***	Kokomo, Ind.	7/84
GM	Oklahoma City	7/84
GM	Kansas City, Mo.	4/85
GM	Lordstown, Ohio	4/85
GM	Tarrytown, N.Y.	4/85
Chrysler	Sterling Heights, Mich.	4/85
GM	Janesville, Wis.	4/85
GM***	Oak Creek, Wis.	4/85
Ford	Atlanta	4/85
GM	Kansas City, Kan.	10/85
GM	Linden, N.J.	10/85
Ford	Chicago	1/86
Chrysler***	Indianapolis	1/86
Chrysler***	Kokomo, Ind.	1/86
Chrysler***	New Castle, Ind.	1/86
JOINT VENTURE		
NUMMI	Fremont, Calif.	10/84

All subzones are for auto assembly except:

*Truck bed assembly

**Importation facility

***Auto electronics

****Truck assembly

tended to allow duty-free importation of goods to be processed into finished products for sale outside the country.

The Foreign Trade Zone Board, which oversees the program, interprets the law differently.

Puccinelli said there is no provision mandating the export of the finished product. "The act doesn't really speak to where the product must go, it talks directly to customs procedures," he said.

As a result, Puccinelli said, the board "cannot outright deny the applications" solely on the basis of where the product will be sold.

Currently, there are 133 FTZs in the United States. In addition, there are 96 subzones of those trade zones, usually located at a manufacturing site. Of the 96, 41 are automotive-related.

Mack may build Baby 8 overseas if UAW vetoes pact

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

The future of Mack's 6,000 hourly workers and its sourcing plans are up in the air, as the company negotiates for UAW approval on contract concessions already approved by its union locals but vetoed by the UAW International.

Mack Chairman John Curcio said he preferred building the company's new line of "Baby" Class 8 trucks, slated for January 1988 production, at the company's Macungie, Pa., plant "with our own people." But, he added, they could be assembled in its new Winnsboro, N.C., plant or in Korea, France or Brazil just as easily.

"One way or other, we're going to get the necessary cost reductions to be competitive," Curcio emphasized.

Mack also will decide whether to continue sourcing transmissions at Hagerstown, Md., and where to source CKD (knocked-down assemblies for export) operations currently handled in

Allentown. That plant will be closed this fall. No decision has been made on where to move the CKD operations. But based on tentative agreements with its Hagerstown local, Mack had planned to continue producing transmissions there.

Curcio said, "We negotiated four agreements with four UAW locals in three states, and they were ratified by over 70 percent of the people."

"They understand the need for Mack to continue getting its costs in line. They also know that, prior to the time we reached the agreements, we considered outsourcing the manufacturing of transmissions (at Hagerstown)," he said.

UAW officials, however, struck down the local agreements. Union officials said the locals violated its master contract because their negotiations did not include the International.

After meeting for several hours on Feb. 28, the two sides agreed only to set up another

meeting at an undisclosed neutral site.

Curcio, declining to discuss the negotiations, refuted charges that the company is stockpiling engines and transmissions in case of a strike.

The company recently announced the recall of 109 workers at Hagerstown. Kim Blake, president of UAW Local 677 in Allentown, believes the move is a first step toward stockpiling parts to hedge against a strike.

Local union officials recently said UAW Vice President Bill Casstevens wants a strike against the truck maker when the current contract expires. Blake said that Mack officials told him privately last month they planned to stockpile parts in anticipation of a walkout. "They're going to get ready for three to six months worth of strike by having three to six months worth of components," Blake said.

Walter Meek, Mack executive vice president of finance, declined to comment on Blake's comments.

see MACK, page 55

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61st year—No. 5170

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RECREATION ON WHEELS

RV shipments
in December
increase 15%

Wholesale shipments of recreational vehicles totaled 26,600 in December and up 15.6 percent over the year-earlier month.

The Recreation Vehicle Industry Association said calendar 1986 shipments totaled 379,500 units, up 5.7 percent from the previous year. It was the fourth consecutive year in which industry shipments exceeded 300,000 units, RVIA said.

Van conversion shipments of 12,100 in December were off 6.2 percent from a year earlier. For calendar 1986, they totaled 181,900, up

	December 1986	December 1985	% change	12 months 1986	12 months 1985	% change
Travel trailers	5,300	4,100	+ 29.3	86,000	82,900	+ 3.7
Folding camping trailers	3,400	2,400	+ 41.7	36,500	35,900	+ 1.7
Truck campers	500	300	+ 66.7	7,400	6,900	+ 7.3
Towable RV total	9,200	6,800	+ 35.3	129,900	125,700	+ 3.3
Conventional (type A)	2,600	1,800	+ 44.4	33,300	33,600	- 0.9
Van Campers (type B)	700	500	+ 40.0	6,200	6,700	- 7.5
Chopped vans (all)	2,000	1,100	+ 81.8	28,200	28,400	- 0.7
Motor home total	5,300	3,400	+ 55.9	67,700	66,700	+ 1.5
Van conversions	12,100	12,900	- 6.2	181,900	164,800	+ 10.4
TOTAL ALL RVs	26,600	23,160	+ 15.6	379,500	359,200	+ 5.7

Source: Recreational Vehicle Industry Association.

10.4 percent from 1985.

Towable RV deliveries of 9,200 were up 35.3 percent in December. For calendar 1986, they totaled 129,900, up 3.3 percent from 1985.

Motor home deliveries of 5,300 in December were up 55.9 percent from a year earlier. For calendar 1986, they totaled 67,700, off 1.5

percent from 1985.

RVIA noted that, according to its data, retail sales of travel trailers and Type A motor homes continued to strengthen in December. It attributed that in part to tax-related motives, but added that there was a definite improvement in the sales trend line last year.

TARGET: Coachmen R&D program seeks to develop motor home to sell for less than \$20,000

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

ATLANTA — Given current technology, Coachmen Industries doesn't feel it's possible to produce a quality motor home for under \$20,000 without taking a lot of features out of the product.

But "a few years from now it may be," said Sydney Johnson, vice president of marketing.

That's one of the company's major objectives in the multimillion-dollar, multiyear product development program it announced recently.

From the standpoint of research and development, one of the goals Coachmen sees down the road is a melding of traditional RVs and vans to create lower-priced vehicles for the entry-level buyer.

"We see more multi-purpose vehicles, van-like in nature, but geared to the amenities and lifestyle of motor home owners," Johnson added.

Those vehicles are expected to appeal to a larger segment of the population because of their greater versatility for everyday and leisure travel.

Coachmen is still interested in expanding its van conversion operations, which are based in Elkhart, Ind., but it doesn't believe the time is right to boost production. Pointing to the intense competition from hundreds of converters, Johnson said his company would prefer to wait for an industry shakeout, particularly among smaller firms, before it undergoes a major expansion.

"It's very difficult, when you have that many competitors, to produce a quality product at a decent profit," he added. "Many converters don't even offer a warranty or dealer support programs. We don't operate that way."

Meanwhile, in its quest for first-time buyers,

Coachmen is stressing value, and Johnson said he doesn't see price as the major obstacle to attracting those buyers.

"They must be able to see the product fit their lifestyle as well as their budget," he said.

However, the company is performing research and development on cost reductions that may or may not result in price reductions on its products, Johnson added.

Its R&D focus is on an entire range of products, the first of which is a new upscale aerodynamic trailer. The trailer was shown at the Recreational Vehicle Industry's annual convention and exhibition here.

Coachmen also is developing two other entry-level products: a camping trailer and a fold-down camping trailer.

Johnson said those products will be introduced during the next year or so and will feature major design, weight-reduction, performance and livability improvements.

Coachmen is the second-largest manufacturer of motor homes nationally and also builds a variety of other RV products, such as travel trailers and customized vans.

It received an order for 500 motor homes recently from a national rental company, which it called the largest single sale in its history.

The motor homes were sold to American Land Cruisers Inc., Miami. They have a total value of between \$13 million and \$15 million, according to a Coachmen spokesman.

The order means that about 100 more workers will be hired at the company's manufacturing plants in Indiana, Georgia, California and Texas, the spokesman said.

RVIA plans expansion of programs to boost awareness and sales

RESTON, Va. — The Recreation Vehicle Industry Association has taken a number of steps to expand RV awareness and sales.

RVIA's public relations agency, Burson-Marsteller, is launching a second year of market-expansion activities.

In addition to its print and television promotions, the agency plans to form an advertising coalition extending beyond the RV industry. The program will support RVIA's future broadcast ventures and special magazine sections with advertising buys.

Major companies such as tire manufacturers and photographic companies interested in reaching the RV market are being targeted as potential recruits for the coalition.

As part of its effort at image enhancement, the agency will involve the RV industry in highly visible charity events, sponsorship of sports and entertainment events and tie-ins with influential groups that have potential RV lifestyle connections. Such groups include the American Automobile Association, state tourism offices and the Walt Disney organization.

In its research, Burson-Marsteller is going beyond its first-time RV buyer study to identify the leisure habits and buying preferences of all Americans between 35 and 49 years of age. That group is a key target for the industry's sales expansion.

Meanwhile, the first-time-buyer seminar conducted by the agency at the Atlanta convention is going on the road to reach more dealers.

With RVIA and the Recreation Vehicle Dealers Association as co-sponsors, the seminar will be held by Burson-Marsteller at manufacturer-dealer meetings, trade shows and other dealer gatherings.

The RVIA also has doubled its funding to \$20,000 for promotion of National Tourism Week, sche-

duled for May 17-23.

RVIA's contribution puts it on a par with other supporters of National Tourism Week, such as the trade associations representing the hotel, restaurant, tour operator and travel agent segments of the travel industry.

The focal point of this year's tourism week promotion is a special travel-industry section in Time magazine's business edition that reaches about two million government and industry leaders.

The section will emphasize the importance of travel and tourism to the economy.

RVIA and the National Park Service also are sponsoring a conference entitled "Tourism and Our National Parks" April 12-14 at the Marriott Hotel in Des Moines, Iowa.

The conference is designed to meet the needs of tourism-related small businesses, especially those in the Central United States.

The purpose of the conference is to provide attendees with information about marketing, packaging and publicizing their product or service. It also will explain how to access existing travel sales networks and market travel opportunities to lesser known parks in a 10-state area.

Nearly 400 representatives from national parks, private campgrounds, RV dealerships, state travel and tourism departments, tour companies and other travel and tourism-related enterprises are expected to attend.

The RVIA also has two publications available. One is a 253-page "how-to" promotional manual that is designed for RV dealers who want to reach first-time buyers.

It also offers a "1987 Membership Directory and Industry Buyer's Guide." The latter is a 102-page book listing all segments of the \$8-billion-a-year RV industry.



Eurofox conversions for export

Eurofox Inc. uses European Ford Cargo Van chassis for the van conversions it is producing in Elkhart, Ind., for the European market. The chassis are imported to Elkhart, converted and shipped back to Germany for distribution by Ford's dealer network there. The company offers customized van conversions on any American or European chassis, such as Fiat, Iveco, Mercedes-Benz, Renault and Peugeot, as well as Ford, Dodge and General Motors. It is producing three units a week.

Xplorer offers 2 new models

BROWN CITY, Mich. — Xplorer Motor Home Division of Frank Industries here has introduced two new van-chassis-based motor homes and is offering an improved warranty for 1987.

Xplorer wholesaled about 500 vehicles last year. Its van/motor home vehicles are of a type expected to become more popular with other manufacturers in their quest to expand appeal among entry-level buyers.

For the 1987 model year, Xplorer is offering its model 222 XtraVan on a Ford Super Van chassis.

It also available on a Dodge chassis.

The unit retails for \$25,214 in both chassis versions.

Combining some of the features of a customized van with those of a motor home, the 222 has radial tires, a raised vista roof and sliding or reclining swiveling captain chairs. Optional are single beds on each side that convert to seats.

The 18.5-foot vehicle also has a rear double bed, marine toilet and 22-gallon holding tank.



Xplorer's XtraVan is a combination van conversion/motor home

Special equipment packages provide features like running boards with mud guards and trim, custom aluminum wheels, bay window and continental spare tire with lock.

Xplorer also has introduced a 218 Lil' Xtra. The vehicle is designed to double as a second car and a self-contained motor home.

It has three bay windows, a raised vista roof with sky windows and a paint-stripe package. The interior features three high-back swiveling captain chairs, a round table and a compact kitchen that includes refrigerator, stove and pressure water system.

It is available on Ford, Chevrolet and Dodge van chassis.

The Dodge Maxivan version retails for \$22,872. The regular

Dodge model retails for \$21,894. The Ford Super Van version retails for \$20,937. The Ford regular van version retails for \$21,286. The Chevrolet version retails for \$21,201.

Explorer also is offering a 5-year/50,000-mile warranty on its 300 and 400 series models. The warranty covers the engine, transmission, rear-wheel drive, front and rear suspension unit, manual/power steering, air conditioner, brakes, electrical system, seals/gaskets, plumbing and appliances.

Similar warranty protection is available as an option on its 200 series models.

Coverage includes the chassis and the conversion and is transferable with a change in vehicle ownership.